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Congresswoman Betty McCollum  
Extension of Remarks

Helping Families Save Their Homes Act of 2009 (H.R. 1106)  
March 5, 2009

*Betty McCollum*  
*3/5/09*

Ms. McCOLLUM: Madam Speaker, I rise today in strong support of the *Helping Families Save Their Homes Act of 2009* (H.R. 1106) and to congratulate Chairman Frank, Chairman Conyers, and Speaker Pelosi for their quick action to help American families.

The last eight years of disinvestment in American families have pushed the economy into a deep recession. Unemployment is rising and home values are falling while the costs of health care and food continue to rise. Thousands of my constituents have been laid off and can no longer afford to meet the basic needs of their families or pay their mortgages.

The dream of homeownership has become a nightmare for too many. Many home buyers are falling behind on their payments because of dropping home values and the financial crisis through no fault of their own. Many could make their mortgage payments until they lost their jobs or their incomes dropped. Others were victims of predatory lending by unscrupulous mortgage brokers and are now struggling with unaffordable subprime loans. An estimated 14 million homeowners owe more than their home is worth, and many cannot refinance into an affordable mortgage. As a result, a record number of Americans are losing their homes to foreclosure every month. Foreclosures hurt everyone-including our families, neighborhoods, and communities- resulting in lost tax revenue for local governments, reduced property values for neighbors, and often abandoned properties require an increased police presence in our neighborhoods.

The *Helping Families Save Their Homes Act of 2009* is a comprehensive approach to break the cycle of foreclosures and declining home values. This legislation offers fair and effective solutions to help families who are facing foreclosure today and those at risk of foreclosure in the future. To accomplish this, H.R. 1106 improves the Hope for Homeowners program by reducing fees that discourage lenders from voluntarily refinancing mortgage loans. This bill would also provide bankruptcy judges with the authority they need to modify loan terms for families who are already in the bankruptcy process - a provision that could reduce foreclosures by 20 percent at no cost to taxpayers. Bankruptcy courts currently have the power to modify loans for corporations, commercial real estate and even vacation homes; extending this option to save the primary residences for families is necessary and equitable.

Last week, President Obama announced the Comprehensive Homeowner Affordability and Stability Plan, a bold strategy to help up to nine million families restructure their mortgages to avoid foreclosure. The *Helping Families Save Their Homes Act* is a key step in putting President Obama's plan into place.

The collapsing housing market is one of the root causes of the present economic crisis. Until the housing sector is stabilized, there will simply be no recovery in America. H.R. 1106 is a major step in addressing the crisis in the housing market

I urge my colleagues to support this legislation.